2007-05277/

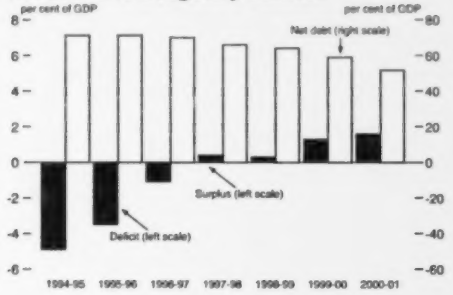
Government of Canada Securities

A Publication of the Department of Finance

May 2002

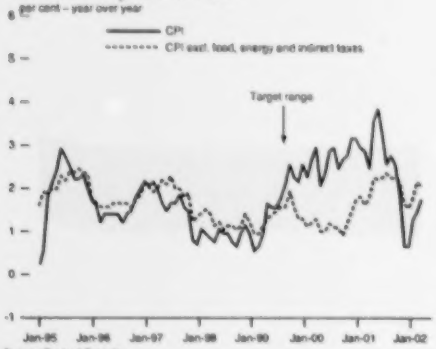
Canadian Economy

Government of Canada net debt and budgetary balance



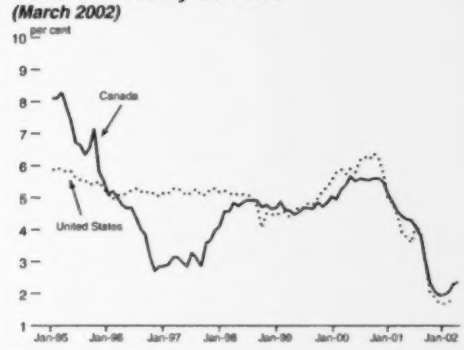
Source: Department of Finance.

Consumer price index



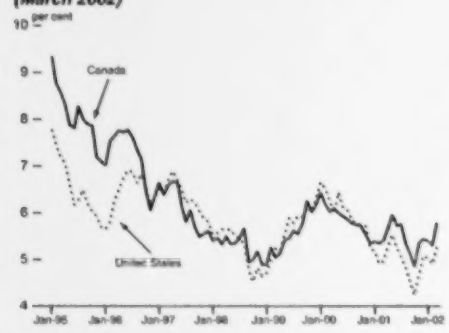
Source: Bank of Canada.

3-month Treasury bill rates (March 2002)



Sources: Bank of Canada and Federal Reserve.

10-year government bond rates (March 2002)



Sources: Bank of Canada and Federal Reserve.

Upcoming economic data releases of interest

May	June	July
National and Economic Accounts January-March 2002 (May 31)	May Labour Force Survey (June 7)	June Labour Force Survey (July 5)
	May CPI (June 14)	June CPI (July 23)
	April Real GDP (June 28)	May Real GDP (July 31)

Canada

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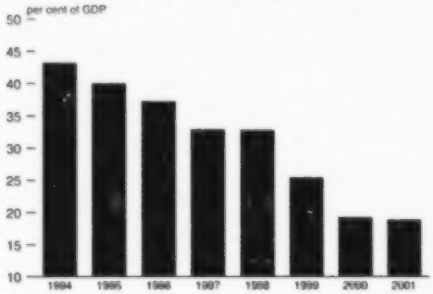
Canadian Economy

Selected Canadian economic statistics

	2000	2001	2001 Q2	2001 Q3	2001 Q4
Annualized growth rates			(per cent)		
Real GDP	4.4	1.5	0.9	-0.6	2.0
Final domestic demand	4.0	2.2	2.8	1.5	0.8
Employment growth	2.6	1.1	0.8	-0.2	0.5
Other					
Unemployment rate	6.8	7.2	7.0	7.2	7.7
Current account balance (percentage of GDP)	2.5	2.7	3.1	1.5	1.2

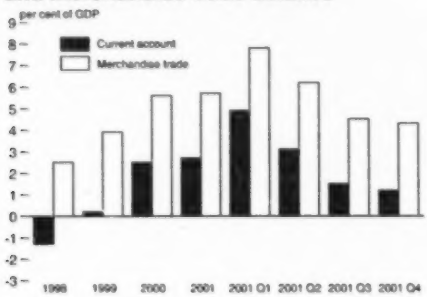
Source: Statistics Canada.

Canada's net international liabilities



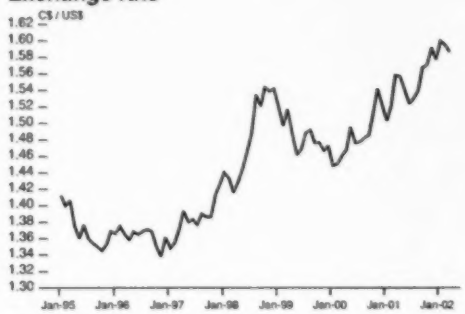
Source: Statistics Canada.

Canada's current account balance and merchandise trade balance



Source: Statistics Canada.

Exchange rate

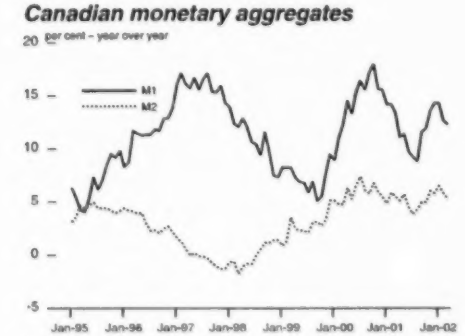


Source: Bank of Canada.

Monetary conditions index

Source: Bank of Canada.

Canadian monetary aggregates

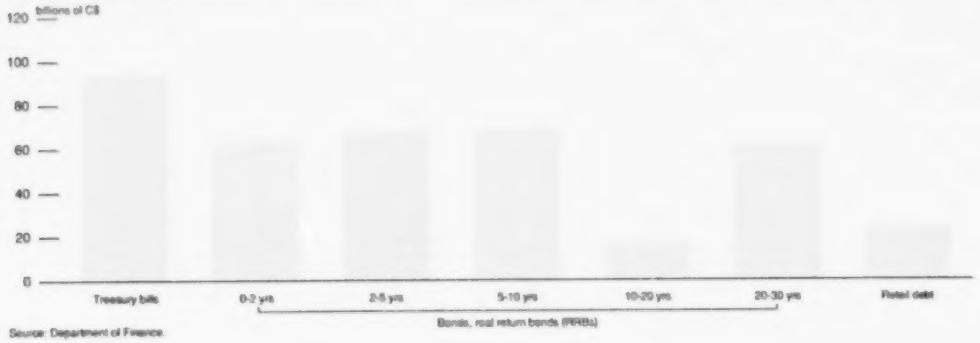


Source: Bank of Canada.

Government of Canada Securities

Primary Market

Outstanding Government of Canada Treasury bills, bonds (by term maturity) and retail debt (as of April 24, 2002)



Source: Department of Finance.

Recent Government of Canada bond auction results

Auction date	Term	Maturity date	Coupon rate	Issue amount	Average price	Average yield	Auction coverage*	Tail**
	(years)		(%)	(millions of dollars)		(%)		(basis points)
April 17, 2002	10	June 1, 2012	5.25	2,400	96.445	5.717	2.258	0.8
March 13, 2002	30	Dec. 1, 2031	4***	350	105.004	3.720	2.849	n/a
March 6, 2002	2	June 1, 2004	3.5	3,500	99.232	3.860	2.395	0.5
February 13, 2002	5	Sept. 1, 2007	4.5	2,500	97.879	4.943	2.256	0.4
February 6, 2002	10	June 1, 2012	5.25	2,500	98.842	5.397	2.232	1.1
January 16, 2002	30	June 1, 2033	5.75	2,000	103.343	5.524	2.342	1.1

*Coverage is defined as the ratio of total bids at auction to the amount auctioned.

**Tail is defined as the high accepted yield minus the average yield.

***RRB.

Source: Bank of Canada.

Forthcoming Government of Canada bond auctions

Type of issue	Auction date (2002)	Further details of issue (2002)	Dated and delivered (2002)	Amount maturing*
				(millions of dollars)
5-year auction	May 15	May 9	May 21	–
2-year auction	May 29	May 23	May 31	–
30-year RRB auction	June 5	May 30	June 10	–

Note: In addition, this quarter two repurchase operations were held and one is planned in conjunction with nominal bond auctions. Also, one pilot switch repurchase operation was held on May 1, 2002, in the 30-year sector and one will take place on June 19, 2002, in the 10-year sector. Further details will be released one week prior to these operations. The target amount for repurchase this quarter is $2.0 billion.

* Maturity of $5,450 million on April 1, 2002, $1,662 million on May 1, 2002, and $5,162 million on June 1, 2002.

Source: Bank of Canada.

Government of Canada Securities

Primary Market

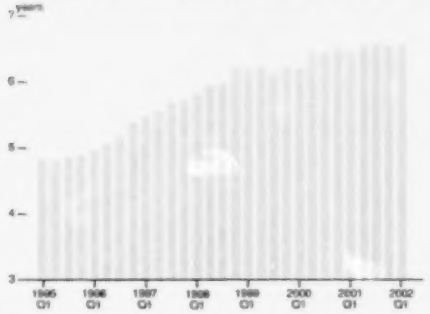
Government of Canada bond market benchmarks (April 30, 2002)

Term	Maturity	Coupon	Amount outstanding	Yield (April 30, 2002)
		(%)	(millions of dollars)	(%)
Fixed-coupon				
2-year	June 1, 2004	3.50	7,000	4.18
5-year	Sept. 1, 2006	5.75	10,000	5.02
10-year	June 1, 2011	6.00	15,000	5.61
30-year	June 1, 2029	5.75	13,900	5.90
Real return				
30-year	Dec. 1, 2026	4.25	5,250	3.62

Note: The normal bid-ask spread on these bonds is around 5 cents.

Source: Department of Finance.

Average term to maturity of Government of Canada marketable debt



Source: Bank of Canada.

Forthcoming Government of Canada marketable bond maturities

May-June 2002	July-September 2002	October-December 2002	January-March 2003
	(millions of dollars)		
6,779	9,134	5,217	1,733

Outstanding Government of Canada foreign currency debt (as of December 31, 2001)

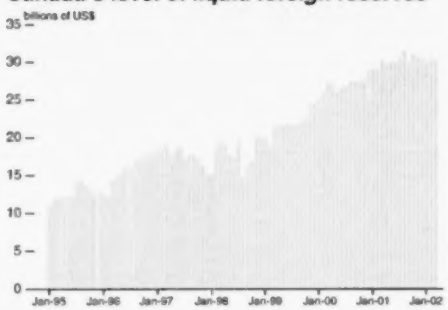
	(C$ millions)*
Canada bills	4,279
Canada notes	1,370
Outstanding under EMTN program	3,466
6¼% US$ bonds maturing July 15, 2002	1,593
5¾% US$ bonds maturing February 19, 2003	3,186
6¾% US$ bonds maturing November 30, 2004	3,186
6¼% US$ bonds maturing July 21, 2005	2,389
6¼% US$ bonds maturing August 28, 2006	1,593
6¾% NZ$ bonds maturing October 3, 2007	332
4¾% EUR bonds maturing July 7, 2008**	2,900
5¼% US$ bonds maturing November 5, 2008	3,982

* Converted to Canadian dollars (US$ = C$1.5928, JPY = C$0.01211, GBP = C$2.3166, DKK = C$0.1908, EUR = C$1.4182, GRD = C$0.004163, NOK = C$0.1774 and NZ$ = C$0.6630); closing spot rates at December 31, 2001.

** Original issue in Deutsche Marks was redenominated into euro on February 19, 1999.

Source: Bank of Canada.

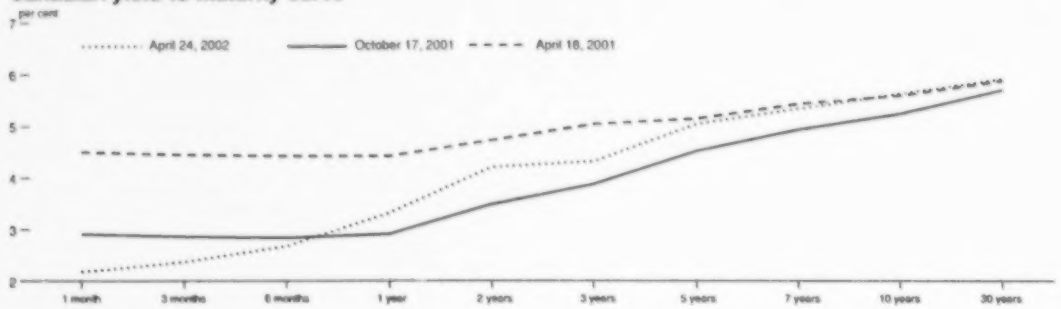
Canada's level of liquid foreign reserves



Source: Bank of Canada.

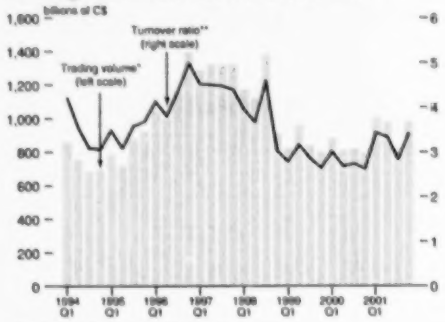
Secondary Market

Canadian yield-to-maturity curve



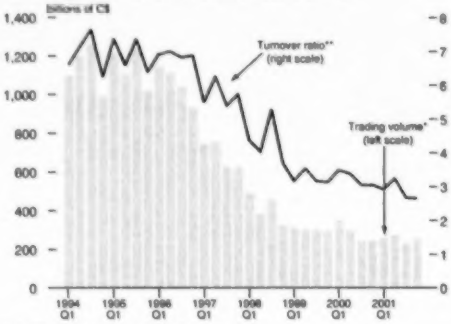
Source: Bank of Canada.

Government of Canada bonds trading volume and turnover ratio



*Trading volume is total trading volume in each quarter.
**Turnover ratio = total trading volume in each quarter/stock.
Source: Bank of Canada.

Government of Canada Treasury bills trading volume and turnover ratio



*Trading volume is total trading volume in each quarter.
**Turnover ratio = total trading volume in each quarter/stock.
Source: Bank of Canada.

Government securities distributors

- Bank of Montreal (Treasury bills only)
- Beacon Securities Limited
- BMO Nesbitt Burns Inc. (marketable bonds only)
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- Canadian Imperial Bank of Commerce (Treasury bills only)
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- The Toronto-Dominion Bank

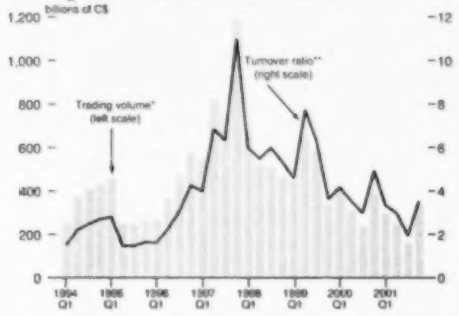
Government of Canada Securities

Secondary Market

Government of Canada bond repos trading volume and turnover ratio

*Trading volume is total trading volume in each quarter.
**Turnover ratio = total trading volume in each quarter/stock.
Source: Bank of Canada.

Government of Canada Treasury bill repos trading volume and turnover ratio



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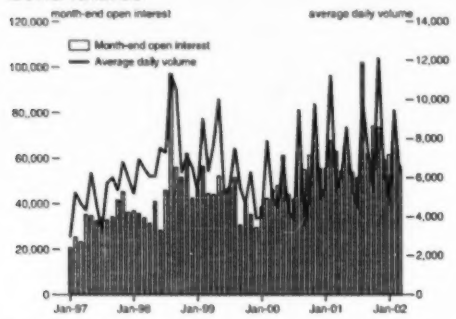
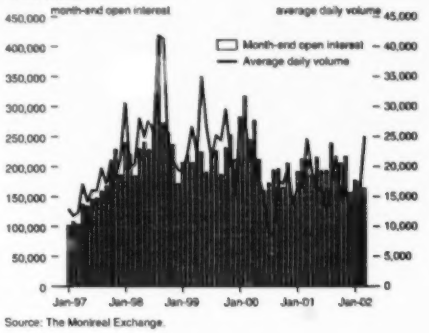
10-year Government of Canada bond futures



Source: The Montreal Exchange.

3-month bankers acceptance futures



Source: The Montreal Exchange.

Government of Canada long-term credit ratings

	Standard & Poor's Current	Moody's Investors Service Current	Dominion Bond Rating Service Current
Domestic debt – Trend	**AAA** Stable	**Aaa*** Stable	**AAA** Stable
Foreign debt – Trend	**AA+** Stable	**Aaa*** Stable	**AA (high)** Stable

*Moody's upgraded Canada's domestic and foreign currency debt rating to Aaa on May 3, 2002.

This publication is also available on the Internet at www.fin.gc.ca.
Except as noted, the information in *Government of Canada Securities* is based upon data available as of April 26, 2002.
For further information, contact Brian Dell at (613) 992-6231.
For additional copies or subscription inquiries, please contact the Distribution Centre at (613) 995-2855.

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